

ARTICLE APPEARED
ON PAGE 1WASHINGTON POST
4 October 1986

Administration 'Hurt'

Secret Plan Raises Questions About Credibility

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A senior White House official said yesterday that disclosure of a secret plan to deceive Libyan leader Moammar Gadhafi into believing that the United States was about to attack him had "hurt the hell out of us" by raising serious questions about the administration's credibility.

This high-ranking official, who spoke on condition that he not be identified, reflected a widespread view in the administration that White House credibility in dealing with the news media has been severely damaged during a critical period preceding the super-power summit in Iceland.

But President Reagan, leaving for a weekend at Camp David, Md., insisted for the second consecutive day that the administration had been trying merely to deceive Gadhafi, rather than to mislead the press into printing inaccurate reports.

"We are not telling lies or doing any of these disinformation things that we were cited with doing," Reagan said, responding to questions about a story that appeared Thursday in The Washington Post. The article said that the administration on Aug. 14 launched a secret effort to deceive Gadhafi into believing he was about to be attacked a second time by U.S. bombers and perhaps ousted in a coup.

Walking to his helicopter from the White House yesterday afternoon, an apparently angry Reagan raised his arm and shouted, "No, no" when he was asked if the United States had lied about Gadhafi.

Secretary of State George P. Shultz took a somewhat different tack in remarks to reporters Thursday evening. "I know of no decision to have people go out and tell lies to the media," he said. "I think, however, that if there are ways in which we can make Gadhafi nervous, why shouldn't we?"

The administration received some comfort yesterday from the Senate Select Committee on Intelligence, which began a swift inquiry by the committee staff after the Post's report. Bernie McMahon, the committee staff director, told the Associated Press the staff had concluded that the administration had not deliberately attempted to plant false stories in the U.S. news media.

The deception plan was outlined in a three-page memo sent to Reagan by national security affairs adviser John M. Poindexter calling for "real and illusionary events—through a disinformation program—with the basic goal of making Gadhafi think that there is a high degree of internal opposition to him within Libya, that his key trusted aides are disloyal, that the U.S. is about to move against him militarily."

Beginning with an Aug. 25 story in The Wall Street Journal and continuing subsequently in other newspapers, including The Washington Post, much of the information generated by this campaign was reported as fact. The senior White House official who was interviewed yesterday by reporters for The Post and The New York Times said that the Federal Bureau of Investigation is investigating in an attempt to determine the sources both of the original Journal story and of this week's account in The Post.

In a statement issued late yesterday in reference to the Aug. 25 report, Wall Street Journal managing editor Norman Pearlstine said that "it now seems clear that some high administration officials misled us."

"We remain convinced, as reported in the Journal, that the U.S. government in late summer believed Libya had resumed its active support for terrorism and that the U.S. was considering a range of options aimed at deterring such Libyan actions," Pearlstine said. "We reported this based not on one source, but on information provided by a number of sources here and abroad."

"It now seems clear that some high administration officials misled us as to the likelihood of employing some of these options," he said. "We deplore any such attempts to mislead the Journal and its readers."

Despite the denial by Reagan and other high-ranking U.S. officials of any deliberate attempt to deceive the U.S. media, the controversy has triggered an internal debate in the

administration and considerable finger-pointing in the direction of Poindexter and his top aides.

"It was naive of John to believe that you could do something like this against Gadhafi and think that it wouldn't show up in the American press," said an official. "In fact, it was the press stories, whether we intended them or not, that made the campaign effective."

After The Wall Street Journal report appeared, White House spokesman Larry Speakes de-

scribed it as "authoritative," though he also said it was "not authorized."

In his comments yesterday on behalf of the Intelligence Committee, McMahon did not address the broader question of whether administration officials had encouraged the dissemination of an essentially inaccurate story. Instead, he commented on the specific point of whether the administration had undertaken a deliberate policy of deceiving the U.S. news media.

"Everyone's assuming Poindexter's memo was what was approved," McMahon said. "Was there a policy decision to draft and place deliberately false stories in the American press or through agents of influence, either by the CIA or outside the CIA in the National Security Council or the State Department? The answer to that is no. There was no decision made to undertake such an activity."

The senior White House official interviewed yesterday said it was "possible" that some administration officials had gone beyond approved policy. Referring to those "we affectionally call 'spooks' [a term sometimes applied to CIA agents], you're not sure exactly what they are doing," the official said.

CIA Director William J. Casey and Shultz were described in The Post's story, written by Bob Woodward, as "particularly determined" to remove Gadhafi.

Defending the administration's actions, Shultz said Thursday that "if I were a private citizen reading about it, and I read that my government was trying to confuse somebody who was conducting terrorist acts and murdering Americans, I'd say, 'Gee, I hope it's true.'"